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HARMONIZED SYSTEM REVIEW SUB-COMMITTEE -23rd Session

NR0157E1 (+ Annex) O. Eng.

Brussels, 21 February 2001.

PROPOSAL BY THE US ADMINISTRATION TO AMEND THE NOMENCLATURE AND EXPLANATORY NOTE TO HEADING 84.82

(Item III.B.6 on Agenda)

I. BACKGROUND

1. The Secretariat received, on 16 February 2001, a proposal to amend the Nomenclature and Explanatory Notes to heading 84.82 from the US Administration. The proposal is reproduced in the Annex to this document.

II. SECRETARIAT COMMENTS

 Due to the recent arrival of the proposal, the Secretariat considers that it would be appropriate to have a preliminary discussion only at the 23rd Session of the Review Sub-Committee.

III. CONCLUSION

3. The Sub-Committee is invited to examine the proposal from the US Administration, taking into account the comments by the Secretariat in paragraph 2 above.

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US proposal to amend the Nomenclature and Explanatory Note To HS heading 84.82

1. The United States submits the following proposed modifications to the structured nomenclature of heading 84.82 to provide for additional detail for tapered roller bearings and parts thereof.

Subheading 8482.20:

Delete and replace with the following:

"- Tapered roller bearings, including cone and tapered roller assemblies

8482.21 -- Cone and tapered roller assemblies entered separately

8482.29 -- Other"

- 2. We are proposing the detail shown above because a substantial proportion of the trade involves tapered roller bearings of the separable type. In such products the outer ring (the cup) is mounted separately from the inner ring (the cone). When the cone is assembled with the roller elements and the cage which maintains the spacing of the rolling elements, the resulting cone and tapered roller assembly would be classified in subheading 8482.21.
- 3. Cone and tapered roller assemblies are referred in the trade as "cone assemblies." They are often traded separately from the cup for use in applications where the outer ring (or cup) will be embedded in or otherwise attached to another part prior to assembly. For example, in the manufacturing of motor vehicles, the cone assembly becomes part of the axle assembly and the cup becomes part of the wheel hub assembly, each of which may be built by separate suppliers. The bearing is not actually assembled completely until the wheel hub unit is mounted on the axle assembly, typically at a final assembly plant.

Subheading 8482.80.

Renumber as "8482.60".

Subheadings 8482.9, 8482.91 and 8482.99.

Delete and substitute:

"- Balls, needles and rollers:

8482.71 -- Tapered rollers

8482.79 -- Other

"- Inner or outer rings or races:

8482.81 -- For tapered roller bearings

8482.89 -- Other

"- Other parts:

Annex to Doc. NR0157E1 (RSC/23/March 2001)

8482.92 -- Of tapered roller bearings

8482.99 -- Other"

4. Tapered roller bearings account for approximately \$390 million of combined imports and exports for the Unites States alone. Of that trade, approximately \$170 million is cone assemblies entered separately. Rollers (proposed 8482.7), races (proposed 8482.8) and other parts of tapered roller bearings (proposed 8482.9) account for approximately \$20 million, \$120 million and \$15 million, respectively, of combined imports and exports for the United States. In addition, these goods are of particular interest in as much as they have been the subject of investigations into possible trade actions in a number of countries.